



D000 Basic Information

D070 Drop Shipment

D072 Metered Mail

072

Summary D072 describes the application procedures for mailing metered mail. It presents four options for depositing and drop-shipping metered mail.

1.0 BASIC INFORMATION

General 1.1 A customer may affix postage using a postage meter licensed at one post office (licensing post office) and deposit that mail at another post office (entry post office) only if prior authorization is obtained from the USPS under one of the procedures described below. Such authorization may be revoked under 2.6 when the USPS determines that information or circumstances supporting the original authorization may no longer be accurate, complete, or applicable. (P030 provides a limited exception to this standard for metered Express Mail and limited (“handful”) quantities of single-piece rate metered mail.) These general conditions apply:

- a. The licensing post office continues to set meters used. The postmark die must show the name of the licensing post office.
- b. Metered mailpieces that bear meter impressions or other endorsements containing the wrong post office name, meter serial number, or authorization number (as applicable) are not accepted.
- c. A metered mail drop shipment must be deposited at the time and place and under any additional condition specified by the USPS.

Effect on Service 1.2 The USPS assumes no responsibility for the material presented until it is accepted into the mail. The USPS is not responsible for service delays when the mailer does not meet the applicable preparation or entry requirements. Entry of mail by drop shipment may adversely affect the USPS’s ability to achieve the applicable service objectives.

Changes 1.3 A mailer authorized to drop ship metered mail must inform the approving official of all changes to the information originally provided as part of the application. When the USPS asks, the mailer must submit additional information supporting that authorization. Failure to provide this information is grounds to revoke the authorization.

2.0 AUTHORIZATION

Options 1 & 2 2.1 For authorization under Options 1 or 2 (see 3.0 or 4.0, respectively), the meter license holder must provide a written application to the district manager whose area includes the licensing post office.

Options 3 & 4 2.2 For authorization under Options 3 or 4 (see 5.0 or 6.0, respectively), the mailer/consolidator must provide a written application to the district manager in whose area the mailer/consolidator is located.

Application 2.3 The application must describe the classes of mail to be deposited, and the volume, processing category, frequency of mailing, and requested schedule of deposit of each. The application must also state how the mail to be entered meets applicable eligibility standards and must identify any third party preparing and presenting the mail. The application must be prepared on the mailer’s letterhead stationery and signed by an authorized manager or representative. There is no USPS form for this



purpose. Additional information is required for applications submitted for Options 3 and 4.

Notification
2.4 The licensing postmaster notifies the applicant if the application is approved or denied.

Application Denial
2.5 A decision denying an application for operational reasons may be appealed within 15 days of its receipt to the area manager of processing and distribution. If denied because of noncompliance with applicable eligibility standards, the applicant may appeal the denial under [G020](#).

Revocation
2.6 An authorization may be revoked:

- a. When it is determined that the authorized entry no longer reduces postal handling or improves service, or is not in the best interests of the USPS.
- b. For nonuse during any consecutive 12 months.
- c. When used in operating any unlawful scheme or enterprise, or for any noncompliance with the regulations governing the use of postage meters.

USPS Authorities
2.7 Authorization is revoked by:

- a. The district manager (if Option 1 or 2).
- b. The RCSC manager (if Option 3 or 4).
- c. The postmaster of the licensing post office (under any option) when it is used in operating any unlawful scheme or enterprise, or for any noncompliance with the regulations for postage meters.

Nonuse
2.8 If revocation is for nonuse, and the mailer shows that use is to resume within 90 days after the revocation notice, revocation may be deferred for a period not to exceed 90 days from the date of the original revocation notice.

Appeal
2.9 Written appeal of the revocation notice may be made within 15 days of its receipt, under [G020](#).

3.0 OPTION 1: DEPOSIT AT P&DC/F

Metered mail of any class may be deposited at the local processing and distribution center/facility (P&DC/F) making initial originating distribution for mail deposited at the licensing post office, if this mail is prepared under the standards for the class and rate claimed and as specified in the drop shipment authorization. This preparation may extend beyond that which is required to qualify for the rate paid for the mail, and may require the mail to be configured and its deposit scheduled to enhance USPS handling. Failure to meet these standards may lead to revocation of the authorization.

4.0 OPTION 2: DEPOSIT AT ANOTHER POST OFFICE

Eligibility
4.1 Metered mail of any class may be deposited at a post office other than the licensing post office if such mail is prepared under the standards for the class and rate claimed and as specified in the drop shipment authorization. This preparation may extend beyond that which is required to qualify for the rate paid for the mail, and may require the mail to be configured and its deposit scheduled to enhance USPS handling. Failure to meet these standards may lead to revocation of the authorization.

Endorsement
4.2 The ad plate area must contain an endorsement with the city and state of the entry post office, the words "Drop Shipment Authorization" (or the abbreviation "D/S

AUTH”), and the unique authorization number issued by the district. If “D/S AUTH” is not used, the mailing office ZIP Code (3-digit ZIP Code prefix for uniquely coded cities, 5-digit ZIP Code of the acceptance facility for other locations) may be used in place of the city and state of mailing. The application and the endorsement format must be approved before drop shipment mailings are presented for acceptance.

Examples

Full Endorsement—Mailing Office City and State

MAILED AT	
CHICAGO IL	DROP SHIPMENT
DROP SHIPMENT	AUTHORIZATION 48
AUTHORIZATION 12	MAILED AT YAKIMA WA

Full Endorsement—Mailing Office ZIP Code

MAILED AT 606	DROP SHIPMENT
DROP SHIPMENT	AUTHORIZATION 48
AUTHORIZATION 12	MAILED AT 98901

Abbreviated Format

CHICAGO IL	D/S AUTH 48
D/S AUTH 12	YAKIMA WA

Not Valid 4.3 Drop shipment endorsements authorized before March 19, 1989, are no longer valid.

Rate and Class Marking 4.4 The drop shipment endorsement placed in the ad plate area may include the marking required by the standards for the rate claimed if that marking is placed directly below the drop ship endorsement and meets the standards in [M012](#). The marking may also be provided separately, not necessarily by meter ad plate, directly below the meter stamp or imprint, if the marking meets the relevant size and legibility standards.

5.0 OPTION 3: CONSOLIDATED DROP SHIPMENT WITH ENDORSEMENT

General 5.1 Metered matter (bearing postage from meters licensed at different post offices) may be collected and deposited at another post office, subject to the conditions and limitations in [5.0](#).

Barcoded and Nonbarcoded Portions 5.2 The majority of the mail consolidated for entry under Option 3 must be prepared in a single mailing (with a single postage statement) in which all pieces, regardless of rate claimed, have the correct barcode (ZIP+4 for flats, delivery point for letters and cards) and are physically compatible with automated mail processing equipment. The entry post office may reject a mailing if all pieces do not have the correct barcode. A minor portion of the consolidated mail may be prepared as a second, separate mailing (with its own postage statement) in which the pieces do not bear the correct barcode (or are not compatible with automated processing equipment) but do meet the standards that apply to the rates claimed.

Service Objective 5.3 When a mailpiece is part of a consolidated mailing, the service objective that applies must be the same as or better than that which would have applied had the piece been entered at the licensing post office. As part of the application, documentation must be provided by the mailer to show compliance with this standard to USPS satisfaction. (Typical documentation lists the service objective that applies to each licensing post office from whose area mail is to be

consolidated and the standard that applies to that mail when it is entered under Option 3.)

Information

5.4

An application under Option 3 must be submitted by the mailer (i.e., the party to present the consolidated mailing to the USPS). In addition to the information detailed in 2.3, the application must identify the meter licensees whose mail is to be consolidated and the serial numbers of each licensee's meters.

Notice to Licensees

5.5

After receiving an authorization notice, the mailer must give written notice to each licensee whose mail is to be consolidated under the authorization. The mailer's notice must include a copy of the authorization, a full explanation of preparation requirements, and a reminder that consolidation of their mail can adversely affect service. The mailer must give copies of each licensee notice to the entry office and licensing office postmasters.

Additional Standards

5.6

Metered mail deposited under Option 3 must be prepared as specified by the USPS. This preparation may extend beyond that which is required to qualify for the rate paid for the mail, and may require the mail to be configured and its deposit scheduled to enhance USPS handling. Failure to meet these standards can lead to revocation of the authorization.

Endorsement

5.7

Each piece must be endorsed with the letters "DS," followed by a unique 2-digit drop shipment authorization number (issued by the district) and the words "MAILED AT," followed by the 3-digit ZIP Code prefix of the entry post office. The endorsement may also include a date, if it is the correct mailing date. (Including this date does not relieve the meter licensee from meeting the standards for correct dating of metered mail.) The endorsement must be printed immediately below the meter impression or in the lower left corner of the piece, in 8-point or larger type, by computer-driven printer or another mechanical method providing a clear and legible endorsement. The district manager must approve the endorsement before drop shipment mailings may be made.

Examples

DSnn MAILED AT zzz—mm/dd/yy
MAILED AT zzz DSnn—mm/dd/yy
DSnn MAILED AT zzz
MAILED AT zzz DSnn

Note

nn—Unique authorized number issued by district.
zzz—3-digit ZIP Code prefix of entry office.
mm/dd/yy—Correct date of mailing, if used.

Placement

5.8

The drop shipment endorsement must not interfere with the barcode clear zone or any other marking.

Preparation

5.9

The preparation and documentation standards that apply to the rates claimed in the mailing remain unaffected by entry under Option 3.

Consolidation

5.10

Mail collected from licensees for mailing under Option 3 may not be further collected or consolidated by any other mailer or consolidator.

6.0

OPTION 4: CONSOLIDATED DROP SHIPMENT WITHOUT ENDORSEMENT

General

6.1

A mailer (the party presenting a consolidated mailing to the USPS) may apply to collect metered matter bearing postage from meters licensed at different post

offices and consolidate that matter for deposit at other entry post offices within that area, subject to the conditions and limitations in [6.0](#).

**Barcoded and
Nonbarcoded
Portions**
6.2

The majority of the mail consolidated for entry under Option 4 must be prepared in a single mailing (with a single postage statement) in which all pieces, regardless of rate claimed, have the correct barcode (ZIP+4 for flats, delivery point for letters and cards) and are physically compatible with automated mail processing equipment. The entry post office may reject a mailing if all pieces do not have the correct barcode. A minor portion of the consolidated mail may be prepared as a second, separate mailing (with its own postage statement) in which the pieces do not bear the correct barcode (or are not compatible with automated processing equipment) but do meet the standards that apply to the rates claimed.

Service Objective
6.3

When a mailpiece is part of a consolidated mailing, the service objective that applies must be the same as or better than that which would have applied had the piece been entered at the licensing post office. As part of the application, documentation must be provided by the mailer to show compliance with this standard to USPS satisfaction. (Typical documentation lists the service objective that applies to each pair of origin/destination 3-digit ZIP Codes in the consolidated mailing, both if entered at the licensing post office and if entered as authorized under Option 4.)

Information
6.4

An application under Option 4 must be submitted by the mailer (i.e., the party to present the consolidated mailing to the USPS). The information in [2.0](#) must be provided for each post office at which mail is to be entered under Option 4. The application must also detail: the meter licensees whose mail is to be consolidated and the serial numbers of each licensee's meters; the mailer's method of sortation, documentation, and quality control; and the mailer's procedures for ensuring that all pieces in the consolidated mailing are entered to meet or exceed the service objectives for the place of origin.

Notice to Licensees
6.5

After receiving the authorization notice, the mailer must give written notice to each licensee whose mail is to be consolidated under the authorization. The mailer's notice must include a copy of the authorization, a full explanation of preparation requirements, and a reminder that consolidation of their mail can adversely affect service. The mailer must give copies of each licensee notice to the entry office and licensing office postmasters.

Additional Standards
6.6

Metered mail deposited under Option 4 must be prepared in segments for entry at postal facilities according to schemes and schedules provided by the USPS. Further, each segment must be prepared for dispatch without additional postal processing or handling, and deposited at places and times specified by the USPS. The USPS may stipulate preparation beyond that required to qualify for the rate paid for the mail. Failure to meet these standards can lead to revocation of the authorization.

Transportation
6.7

The mailer must provide transportation for the consolidated mailing, unless the USPS provides plant load service.

Endorsement
6.8

A drop shipment endorsement is not required on pieces mailed under Option 4.

Preparation
6.9

The preparation and documentation standards that apply to the rates claimed in the mailing remain unaffected by entry under Option 4.



Consolidation Mail collected from licensees for mailing under Option 4 may not be further
6.10 collected or consolidated by any other mailer or consolidator.

Documentation The mailer/consolidator must keep documentation supporting each consolidated
6.11 mailing, including the volume collected from each meter licensee, for at least 1
year from the date of mailing, and make it available for postal inspection on
request.